# What Did Bush Know?

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Last week's flare-up between George Bush and Dan Rather demonstrates that the Iran-contra affair is not over—and that Bush's candidacy will continue to be haunted by the lingering questions over his role in the Reagan administration's biggest foreign-policy debacle. Bush has attempted to walk an extremely delicate line on the scandal, suggesting that he voiced his reservations about the wisdom of the Iranian overture while remaining loyal to Ronald Reagan's broader purposes. At the same time, he has also said he was "out of the loop" in the sense that he had no direct responsibility for the arms sales to Iran, the secret operation to resupply the contras or the diversion of funds that linked the two together. In effect, the public must choose between two equally unflattering self-portraits by a man who would be president: either Bush knew a lot about the Iran affair and will not admit it, or he allowed himself to be duped by schemers like Oliver North and John Poindexter.

There is no question that Bush, as a ranking member of the Reagan administration's innermost policy councils, was repeatedly briefed during 1985 and 1986 on the secret negotiations with Iran. Bush does not deny that—but his repeated assertions that he knew nothing of the broader implications of the affair have undermined his credibility, at least among those who have followed the scandal closely. Because two of his closest aides seem to have known a good deal about the contra-resupply flights, it seems less than plausible that the vice president was as ignorant as he claims. Bush says he understood the hidden dimensions of the Iran-contra initiative only in December 1986, when he was briefed by Sen. David Durenberger, then chairman of the Senate Intelligence Committee. The Durenberger briefing took place on Dec. 20, nearly a month after Attorney General Edwin Meese III disclosed the contra-funding diversion and the Justice Department began a criminal investigation of the Iran affair. Is it plausible that the vice president remained uninformed after Reagan himself had ordered an investigation?

The evidence of Bush's awareness of the Iran adventure goes back much further in time, to 1985. White House logs show he was present at a meeting on Aug. 6, for example, when former national-security adviser Robert McFarlane outlined the essence of an arms-for-hostages deal with Iran. He was present again on Jan. 7, 1986, when Secretary of State George Shultz and former secretary of defense Caspar Weinberger argued against pursuing the Iran connection. (Bush says, however, that he may not have been in the room when Shultz protested the plan directly, and Reagan has confirmed Bush's account of the meeting.) And on July 29, 1986, Bush was briefed by a leading Israeli counterterrorist expert, Amiram Nir, on the continuing contacts with the Iranian government. Bush says he never understood that contacts with Iran were an attempt to exchange weapons for hostages, and he says he still believes the administration was dealing with Iranian "moderates." But an aide's record of the conversation with Nir shows that Nir bluntly described the Iranian side as "the most radical elements." Last week Bush said he "didn't know what [Nir] was referring to when he was talking about radicals, nor did I ask."

The larger question is just what advice Bush gave the president on the Iranian fiasco. Though he has repeatedly said he will not disclose the specifics, Bush has suggested that his objections were essentially pragmatic in nature—concerns about what would happen if the secret leaked and whether U.S. credibility would be damaged. He has never said that he objected in principle to trading arms for hostages or dealing with a terrorist regime.

**Old comrades:** The evidence of Bush's involvement with the contra-supply caper is murkier yet, but it likewise raises questions about the vice president's credibility. The main link is through Bush's national-security aides, former CIA man Donald Gregg and Army Col. Samuel Watson. One of Gregg's old comrades-in-arms, Félix Rodríguez, helped North run the contra-resupply flights from El Salvador in early 1986. When Rodríguez reported problems with the operation, North called on Gregg and Watson to help keep Rodríguez in line, and they did so. Yet Bush's aides insist they had no idea Rodríguez was working on contra resupply, even though an April 30, 1986, briefing memo reportedly dictated by Watson said Rodríguez wanted to discuss "resupply of the contras" with Bush. (Watson says he doesn't know why a secretary put that down.) All three men say it is not until Aug. 8, 1986, that Rodríguez told Watson and Gregg about North's operation. Although Gregg's notes from the August meeting say "a swap of weapons for $ was arranged to get aid for the contras," the three now insist they don't know what that line meant. And through it all, Bush says Gregg never told him anything.

Then there was the phone call on the day the resupply operation broke down—Oct. 5, 1986, the day the Sandinistas shot down the C-123 carrying Eugene Hasenfus over southern Nicaragua. Rodríguez, Oliver North's man on the scene, called Watson with the bad news that one of North's planes was lost. Even so, Bush and other administration spokesmen insisted that the U.S. government had not been involved with the Hasenfus plane, a cover story that continued for months. Bush still contends he had no knowledge of the contra-resupply operation, and he cites a conclusion from the joint congressional investigating committee's report on the Iran-contra affair as support for his contention. What he does not say, however, is that this conclusion is drawn from the minority report signed by eight Republicans and that the committee's Democratic majority avoided giving him any such clean bill.

NEWSWEEK asked the vice president for his recollections of the administration's response to the downing of the C-123 and Hasenfus's capture by the Sandinistas. Here are excerpts from his written answers:

**NEWSWEEK: What did Colonel Watson and Mr. Gregg do with the information they had from Mr. Rodriguez as the White House was preparing its public statements following the Oct. 5 plane shootdown?**

**BUSH:** I am told that Colonel Watson canvassed appropriate officials in the U.S. government and was informed that the missing airplane did not belong to the U.S. government, was not on a U.S. government operation and that the missing persons (including Mr. Hasenfus) were not U.S. government employees. Based on the definitive statements from responsible officials, Colonel Watson set aside the fragmentary information Mr. Rodríguez had given him and took the word of the U.S. officials that there was no U.S. government connection.

**Did you or your staff alert Assistant Secretary of State Elliott Abrams and other officials before they gave misleading testimony about U.S. involvement in the contra operation to Congress?**

No.

**When did you first learn of North's role in the contra operation?**

What I know of Mr. North's role in the contra-resupply effort has come from the information made public during the investigations.

**In retrospect, do you wish Mr. Gregg had told you about it in August 1986?**

Yes, particularly knowing what I know now. . . .

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**Are you concerned that Mr. Gregg and Colonel Watson might agree with Adm. John Poindexter that on certain sensitive issues it is important to give your superior "deniability"?**

I do not believe members of my staff have ever suggested that they acted in a way to "give me deniability," and they should not.

**Are there times when administration officials should mislead Congress about delicate national-security operations?**

The Congress has passed laws prescribing how the administration should inform the Congress of sensitive national-security matters. Certainly these laws should always be followed, and no administration should ever mislead Congress.

The question now is whether the rank-and-file conservatives who dominate the GOP primaries are concerned by the Iran affair. If they're not, Bush may well have a lock on the 1988 nomination. The Democrats, of course, will be waiting in November—and that may mean he cannot escape the questions about his role indefinitely.

ROBERT PARRY *in Washington*

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